by phasing out aircraft on completion of 20 years. Except for six 50 seater aircraft propose to be purchased from 1997/98, additional capacity requirements upto 1999-2000 to be on operating lease basis and outright purchase thereafter.

(c) A Sub Committee of the Board of Directors of Indian Airlines is soon to carry out negotiations with the manufacturers for acquisition of 50 Seater aircraft for Indian Airlines.

An in-house Committee has also been constituted in October 1996 to carry out a techno-economic evaluation of aircraft for replacement of A-300 and B-737 aircraft.

The Board of Indian Airlines at it's meeting held on 28.1.1997 has in principle approved induction of dry lease capacity, for capacity augmentation and replacement.

TATA-SIA proposal in Indian Aviation Sector

290. SHRI RAMDAS AGARWAL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether ASSOCHAM has urged Government to clear TATA-SIA proposal to enter the Indian Aviation Sector (a joint venture);

(b) if so, whether the same had earlier been cleared by FIPB as reported in the Hindustan Times dated 29th January, 1997;

(c) whether Government have so far taken any policy decision for allowing foreign airlines companies to participate directly in equity via domestic airlines; and

(d) whether Government have formulated any new Civil Aviation Policy, if so, the details thereof?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM): (a) and (b) The Foreign Investment Promotion Board (FIPB) had recommended the proposal of M/s Tata Industries to set up a joint venture with Singapore Airlines for operating domestic air transport services. However, the proposal has not been approved by the Government so far.

(c) The modalities for permitting foreign equity and NRI equity participation in the domestic air transport services sector are under formulation.

(d) Salient features of the recently approved policy on domestic air transport services sector are given in the Statement.

Statement

The main features of the recently approved policy framework for domestic air transport services are as follows:—

1. Barriers to entry and exit from this sector should be removed. There should only be a pre-entry scrutiny of applications to verify the financial soundness, maintenance, security and safety aspects of operations and human resources development proposed to be undertaken by the applicant.
2. Choice of the aircraft type and size should be left to the operator.
3. To eliminate non-serious entrepreneurs and to achieve economies of scale, the minimum fleet size for a scheduled operator should be raised from the existing three (3) to five (5) aircraft and the minimum amount of the shareholders funds should be enhanced from existing Rs. 5.00 crores to Rs. 10 crores for aircraft of all-up-weight below 40,000 kgs and from Rs. 10 crores to Rs. 30 crores for aircraft of all up weight exceeding 40,000 kgs.
4. Induction of total capacity in the air transport sector should be predetermined on the basis of trend growth of traffic and projections made for at least a period of five years on annual basis. This information should be widely publicised to enable the entrepreneur to take investment decisions.
5. In the distribution of this predetermined capacity for induction, while preference will be given to Indian Airlines according to its fleet augmentation plan subject to its ability to do so, to meet a share of additional capacity that would emerge each year, there would not be any pre-determined restriction on the induction of capacity by private operators.

6. The present policy of route dispersal guidelines be retained and strictly enforced. According to these guidelines, all scheduled operators are required to deploy in the North-East, Jammu & Kashmir, Andaman Nicobar Islands and Lakshadweep 10% of their capacity deployed on the specified trunk routes.

Kandla Port

291. SHRI BRAHMAKUMAR BHATT:
SHRI ANANTRAY DEVSHANKER DAVE:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Kandla Port has no airlink at present;

(b) if so, whether Government have any plan to airlink this port with rest of the country especially Mumbai and other major cities; and

(c) if so, the details thereof and the time schedule for the same?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM): (a) No, Sir.

(b) and (c) NEPC Airlines has started a twice weekly service between Kandla and Mumbai. Indian Airlines has no proposal to airlink Kandla at present.

Limited coverage of country's Air Space by Secondary Surveillance Radars

292. SHRI PREM CHAND GUPTA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that only limited part of the country's air space is covered by Secondary Surveillance Radars; and

(b) if so, whether this is not amounting to flight safety hazards?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM): (a) and (b) Yes, Sir. The Secondary Surveillance Radars normally provide surveillance in busy terminal areas and along major air routes. The mountaineous terrains, oceanic areas and areas having limited air traffic are not generally covered by radar surveillance. Such limited surveillance is not considered a flight safety hazard. The safety of flights is ensured by maintaining standard, horizontal and vertical separations between aircraft.

Proposal to develop air transport in Andhra Pradesh

293. DR. Y. LAKSHMI PRASAD:
SHRIMATI RENUKA CHOWDHURY:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government propose to develop air transport in Andhra Pradesh;

(b) if so, details of the proposals in this regard; and

(c) when would daily flights start from Visakhapatnam to enhance exports from the export processing zone?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M: IBRAHIM): (a) Yes, Sir.

(b) Airports Authority of India is developing Hyderabad Airport as a Model Airport. The International Passengers Terminal has been recently constructed. The Feasibility Report of developing a cargo complex for export of cargo from Hyderabad Airport is at plan stage.

(c) Visakhapatnam has air links with Chennai and Calcutta, three times a week and flights to hyderabad operate four times a week. The capacity being provided is considered adequate for the present and there is no plan to step up the frequency of operations.

Landing charges levied by the NAA

294. SHRI V. HANUMANTHA RAO: Will the Minister of CIVIL AVIATION be pleased to state:

(a) what are the landing charges levied by the NAA for use of airports by small 50-seater aircraft of Indian owned companies;

(b) whether Government is giving any